



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/734,086	12/11/2000	Charles Tresser	YOR920000598US1(13893)	3901

⁷⁵⁹⁰
RICHARD L. CATANIA, ESQ
SCULLY, SCOTT, MURPHY AND PRESSER
400 Garden City Plaza
Garden City, NY 11530

^{04/13/2009}

EXAMINER

WINTER, JOHN M

ART UNIT	PAPER NUMBER
----------	--------------

3685

MAIL DATE	DELIVERY MODE
-----------	---------------

04/13/2009

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 09/734,086	Applicant(s) TRESSER ET AL.	
	Examiner JOHN M. WINTER	Art Unit 3685	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 January 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,2,5,7,8,11,13 and 19-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,2,5,7,8,11,13 and 19-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Acknowledgements

1. The Applicants amendment filed on January 310, 2009 is hereby acknowledged, Claims 1-11, 13, 16 and 19-25 remain pending.

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on January 30, 2009 has been entered.

Response to Arguments

2. The Applicant's arguments entered on January 30, 2009 have been fully considered.

The Applicants amended claims are rejected in view of "Introduction to cryptography"

See following rejection.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:
4. Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.
5. Claims 1-2, 5, 7-8, 11, 13, and 19-25 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

. Based on Supreme Court precedent (See also *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) and recent Federal Circuit decisions, a §101 process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. In addition, the tie to a particular apparatus, for example, cannot be mere extra-solution activity. See *In re Bilski*, 88 USPQ2d 1385 (Fed. Cir. 2008).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps.

To meet prong (1), the method step should positively recite the other statutory class (the thing or product) to which it is tied. This may be accomplished by having the claim positively recite the machine that accomplishes the method steps. Alternatively or to meet prong (2), the method step should positively recite identifying the material that is being changed to a different state or positively recite the subject matter that is being transformed.

In this particular case, claim 1 fails prong (1) because the “tie” (e.g. processor implemented”) is representative of extra-solution activity. Additionally, the claim(s) fail prong (2) because the method steps do not transform the underlying subject matter to a different state or thing.

Claims 2, 5, 7-8, 11, 13, and 19-25 are either dependant upon claim 1 or have similar limitations and are rejected for at least the same reasons.

Claim Rejections - 35 USC § 103

Art Unit: 3685

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1-2, 5, 7-8, 11, 13, and 19-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Leighton et al (hereinafter Leighton - US 5,351,302) in view of Mital (US 5,903,652) and further in view of "An Introduction to Cryptography".

8. As per claims 1, 7, 13 and 25,

Leighton discloses a processor implemented method of digitally managing the transfer of financial instruments between a first party owner and a second party transferee, the method comprising the steps:

the owner transferring ownership of the financial instrument to the second party transferee, including the steps of the owner, a public part of a signature scheme of said second party transferee to the title to produce an expanded title; see the entire document particularly, Abstract; Figure 11; Column 21, lines 28-56)

Leighton does not explicitly disclose a third party emitter issuing to the owner a title for a financial instrument, the title including (i) a message describing the title and how to contact the emitter, and (ii) a digital signature of the emitter;

However, Mital discloses a third party emitter issuing to the owner a title for a financial instrument, the title including (i) a message describing the title and how to contact the emitter, and (ii) a digital signature of the emitter; [C2 L23-L62; C22 L24 to C23 L20; C27

L17-L53 - see distribute affidavit] to prepare a secure authenticated digital document with digital signature to be transmitted over the internet. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Leighton and include a third party emitter issuing to the owner a title for a financial instrument and a message describing the title and how to contact the emitter, as disclosed by Mital, to prepare a authenticated digital document for sending over the Internet.

Leighton does not explicitly disclose the owner producing an owner message including the public part of the signature scheme of the transferee, and the owner signing the owner message using a secret key of a signature scheme of the owner.

However, "an Introduction to Cryptography"discloses the owner producing an owner message including the public part of the signature scheme of the transferee, and the owner signing the owner message using a secret key of a signature scheme of the owner. (Pages 18 - 24, particularly discussion of "digital certificates" on page 22). It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Leighton and include the owner producing an owner message including the public part of the signature scheme of the transferee, as disclosed by "an Introduction to Cryptography", to prepare a authenticated digital document for sending over the Internet.

9. As per claims 2, 8, 20

Leighton discloses wherein the transferring step includes the step of the emitter appending to the title a number indicating the number of successive owners of the title (ownership history) [C5 L13-L44].

10. As per claims 5, & 11

Leighton discloses wherein, the creating step includes the step of using a secure cryptographic generator to create the title [C1 L35-L45; C3 L31 to C4 L14].

12. As per claim 19,

Leighton discloses said signature scheme includes a private key and a public key; and the step of the owner signing the title includes the step of the owner using the public key of the signature scheme to encrypt the owner's signatures in the title [C1 L54 to C2 L16].

13. As per claim 20,

Leighton discloses appending to the title a number indicating the number of successive owners of the title; and said other person using said private key of the signature scheme to decrypt the owner's signatures and said number [C1 L54 to C2 L16; C2 L28-68; C4 L26-L68].

14. As per claims 21 and 23-24,

Lighthouse discloses public/private key and digital signature, digital title, string of information, the issuing step includes the step of making a serial number and a description of the title publicly available as soon as the title is created [C4 L3-L55]. Lighthouse does not explicitly disclose the digital signature of the emitter includes a public key of a public/private

key pair of the emitter, the transferring step includes the steps of, after the public part of the signature scheme of said other person is appended to the title, communicating to the emitter said public part of the signature scheme of said other person, the emitter keeping said public part of the signature scheme of said other person and making said public part of the signature scheme of said other person available to potential future buyers, the emitter re-signing the title, and sending the re-signed title to said other person, and sending to the emitter a number N indicating the number of successive owners of the title, and the emitter re-signing the title, and sending the re-signed title to said other person, and a fourth party (another person) potential buyer asking the emitter to freeze the possibility of selling the title to anyone other than fourth party (another person) for a period of time, and a fourth party potential buyer using the emitter to prevent the sale of the title to anyone other than said fourth party for defined period of time the emitter posting that there is a new owner of the title and describing the public part of the signature scheme of said other person; a titles such as car title, mortgage title, etc is will known where the seller signs the title to transfer an ownership and this transfer of the title can be down by mail or faxed (it fax is acceptable as a legitimate document) where the seller signs the title and mails (faxes) it to the buyer (the car can be sold again and the new owner transfers the title to a new owner), and similar sending to the emitter a number N indicating the number of successive owners of the title (new owner new line). Further buyer's down payment (layaway) are will known to ask the seller to keep/hold the item/property for the buyer for period of time (a fourth party potential buyer asking the emitter to freeze the possibility of selling the title to anyone other than said fourth party for a period of time and a fourth party potential buyer using the emitter to prevent the sale of the

title to anyone other than said fourth party for defined period of time) and the following limitations are known: the emitter re-signing the title, and sending the re\signed title to said other person (same like original or first a new owner and current owner/seller), and the emitter posting that there is a new owner of the title and describing the public part of the signature scheme of said other person.

Mital discloses the digital signature of the emitter includes a public key of a public/private key pair of the emitter, the issuing step includes the step of making a serial number and a description of the title publicly available as soon as the title is created [C2 L17-L62; C4 L56-L61; C18 L11 to C19 L50];

the transferring step includes the steps of, after the public part of the signature scheme of said other person is appended to the title, communicating to the emitter said public part of the signature scheme of said other person [C8 L15-L18],

the emitter keeping said public part of the signature scheme of said other person and making said public part of the signature scheme of said other person available to potential future buyers [C2 L40-L62] to provide automatic transfer of secure document using encryptions. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Leighton further include encrypted legal document (affidavit), as disclosed by Mital and provide an electronic verifiable legal document with digital signature to be transmitted over the internet.

15. As per Claim 22,

Lighthouse discloses sharing the signing key between the set of servers, wherein each of the servers has one of said partial keys [C2 L51-L68 - public key is know to others and digital signal has part of the private key]. Lighthouse does not explicitly the emitter is comprised of a set S of geographically distributed servers; and the issuing step includes the steps of using a signing key to make the digital signature of the emitter, said signing key including a plurality of partial keys, at least some of the servers signing the title using a distributed protocol and using the partial keys of the servers, considering the title signed by the emitter only if a defined subset of the S servers sign the title, using specified hardware to issue the title, and using the specified hardware to print lists of title numbers and descriptions of the public part of the signature scheme used by the emitter. However, Mital discloses the emitter is comprised of a set S of geographically distributed servers; and the issuing step includes the steps of using a signing key to make the digital signature of the emitter, said signing key including a plurality of partial keys [C2 L17-L62; C9 L19-L55], at least some of the servers signing the title using a distributed protocol (DES encryption) and using the partial keys (portion of key) of the servers [C2 L17-L62], considering the title signed by the emitter only if a defined subset of the S servers sign the title (see merchant computer) [C27 L17-L62; C28 L], using specified hardware to issue the title, and using the specified hardware to print lists of title numbers and descriptions of the public part of the signature scheme used by the emitter (see transmitting the document such as bill to customer where he/she can print) [C15 L15-L18] to establish a secure distributed protocol to allow the distribution of the secure digital document over the internet. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of

Art Unit: 3685

Leighton, and Mital, to establish secure communication protocols and monitors secured transactions.

16. Claim 3-4, 9-10 & 15-16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Leighton and Mital as applied to claims 1, 7, 13 above, and further in view of Muftic (US 5,850,442).

17. As per Claims 3-4, 9-10 & 15-16

Leighton discloses creating digital secure encrypted document (titles) using "public-key cryptosystem" [C1 L1 to C2 L16; C3 L31 to C4 L14]. Leighton or Mital does not explicitly disclose owner keeping the public part of the signature of the other person and making said public part available to potential subsequent buyers and comprising the step of sending the title, with the signature of the owner made using the public signature scheme of the owner, to said other person. However, Muftic discloses these steps [Abstract, Figures 17, 25-27; C1 L32 to C8 L7; C7 L32-L63; C7 L1-L5; C18 L35-L67] to conduct secure electronic commercial transaction over the network, which uses public key cryptography. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of Leighton, Mital, and Muftic to permit secure transaction to undertake world wide transparently over the Internet.

18. Claims 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Leighton, Mital as applied to claims 5, 11, 17 above, and further in view of Arbaugh et al (US 6,185,678).

19. As per claim 6,

- (a) Leighton, Mitai does not explicitly disclose wherein the secure cryptographic generator is an IBM 4758. However, Arbaugh et al discloses this step to allow software and data to be transferred between computer system [C1 L20-67; C4 L33-L65; C7 L6-L27; C9 L11-60]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of Leighton, Mital and Arbaugh et al to permit secure transaction to undertake over the Internet.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN M. WINTER whose telephone number is (571)272-6713. The examiner can normally be reached on M-F 8:30-6, 1st Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt can be reached on (571) 272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3685

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

JMW

/Calvin L Hewitt II/
Supervisory Patent Examiner, Art Unit 3685